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UNITED STATES DISTRICT COURT

NORTHERN DISTRICT OF CALIFORNIA

BEFORE THE HONORABLE JAMES DONATO

IN RE FACEBOOK BIOMETRIC
INFORMATION PRIVACY LITIGATION

) No. C 15-3747 JD

) San Francisco, California

) May 21 2018 ) 10:00 a.m.

## TRANSCRIPT OF PROCEEDINGS

## **APPEARANCES:**

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Official Reporter - US District Court Computerized Transcription By Eclipse

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## 1 Monday - May 21, 2018 10:02 a.m. 2 PROCEEDINGS ---000---3 4 5 THE CLERK: Calling Case No. 15-3747, In Re Facebook 6 Biometric Information Privacy Litigation. Counsel? 7 MR. WILLIAMS: Good morning, your Honor. 8 Williams, Robbins Geller Rudman and Dowd. 9 I'm also here with my colleagues Patrick Coughlin and John 10 11 George from my firm, and Corban Rhodes from the Labaton firm, on behalf of plaintiff. 12 13 THE COURT: Okay. MS. GOLDMAN: Good morning, your Honor. Lauren 14 15 Goldman of Mayer Brown on behalf of Facebook. 16 I'm here today with Archis Parasharami, who I think you 17 met before, who will be covering the class action notice 18 issues; with my partner Vincent Connelly, who is one of the 19 people who will be trying the case; and with Nikki Sokol from 20 Facebook. 21 THE COURT: All right. Okay. We're going to power through the notice issue. Why don't you both -- both come on 22 23 up. All right. Now, let's talk about a couple of things 24 25 Who is going to do what? first.

My sense is, after reviewing everybody's papers, I think 1 the class administrator should send the email, okay? So they 2 can send the email notice. We're going to work out the back 3 4 office part of this in a moment. 5 And then, Facebook, I want you to do one of those jewel 6 notifications that I learned about earlier in the case, and, 7 also, a news feed insert. Okay? MR. PARASHARAMI: Your Honor, may I be heard on those 8 issues? 9 THE COURT: 10 Yes. 11 MR. PARASHARAMI: So in light of the fact that your Honor is ordering email notice, which we think is appropriate, 12 the jewel notifications and news feed notices --13 I think you need to get a little bit 14 THE COURT: 15 closer to the mic. 16 MR. PARASHARAMI: I'm sorry. 17 THE COURT: Just slide it towards you. Slide the 18 thing -- yeah, okay. 19 All right. Go ahead. MR. PARASHARAMI: So the news feed notifications and 20 21 the jewel notifications would be duplicative, unnecessarily duplicative. 22 23 They may be duplicative, but our goal THE COURT: here is to give notice. And it's reasonable, in my view, for 24 25 you anow to do that.

So we will do a jewel notice, or whatever you call it, the jewel thing with the little red light that flashes and the news feed insert.

I'm going to decline Messenger. I don't think that -that's necessary. I think that seems to be the least likely to
get everybody, so Messenger will be declined.

MR. PARASHARAMI: Your Honor, may I be heard on the -- just a little further on the jewel notification?

THE COURT: Yes.

MR. PARASHARAMI: So the Manual for Complex
Litigation says using essentially communications processes of a
business should be essentially the last resort, only if there
are no other feasible alternatives because of the way that it
interferes with --

THE COURT: I don't agree with that. We're trying to give the best reasonable notice.

In my view, given your business and your platform, email is just not going to cut it. You need to get the jewel notifications and the news feed. So those will happen.

Now, tell me a little bit about what you did with Cambridge Analytica. So that looks to me -- now maybe I'm wrong because I do not use Facebook. I never have, because I'm a federal judge. I don't use any social media. It's not just Facebook. I don't Tweet. I don't do anything. Now, nevertheless, I understand what you do because people around me

1 use it.
2 So my understanding is your postings about Cambridge
3 Analytica were not in news feed and not in jewel. You did

something special for that; is that right?

MR. PARASHARAMI: Your Honor, I don't know the details of it, but let me try and address that question.

Cambridge Analytica is a totally different situation, your Honor, because it is a communication between the company and its customers. It is not a Court ordered class notice. It's just a different fit.

I mean, I think to the extent that your Honor is raising the possibility of a jewel notification and -- you know, and a news feed, that probably is enough to describe what we would have to do here.

THE COURT: Well, that may be, but what did you all do with -- I'm looking at screenshots and they're not -- they don't look like news feed or jewel.

Is there something else you did? Was there something else Facebook did for Cambridge?

MR. WILLIAMS: Your Honor, I can talk about the news feed piece, at least briefly, because they did do that --

THE COURT: They did do a news feed for Cambridge?

MR. WILLIAMS: -- with Cambridge Analytica. And in our view it's something that is sufficient. It seems cheaper than some other forms of notice.

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It is a -- a notice that goes directly to a user's news
 1
     feed so when they open Facebook, it's the first thing that
 2
     they see.
 3
               THE COURT: No, I understand that and it's ordered.
 4
 5
     We're -- what I want to know is do you know, maybe -- if you
 6
     don't know, that's fine.
 7
          But, Mr. Williams, for example, do you know, did they do
     something special for Cambridge?
 8
 9
               MR. WILLIAMS: When you say "special" in terms of the
    news feed?
10
               THE COURT: Was it -- outside of the news feed and
11
     outside of jewel, did they have a separate push that they used?
12
                              I don't know that. I don't know the
13
               MR. WILLIAMS:
     answer to that. I do know that it was through news feed at
14
15
     least.
16
               THE COURT: At least through news feed. Okay.
17
          And, Mr. Parasharami -- did I get that right?
               MR. PARASHARAMI: Yes.
18
                                       Thank you.
19
               THE COURT: You don't know whether they did
     something?
20
21
               MR. PARASHARAMI: My understanding is that it's not
     something special or different outside of its normal channels
22
23
     for communicating with its own users.
               THE COURT: Okay. Well, I just happened to see one
24
25
     this morning that is on a mobile phone. It says Facebook, and
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it's from Facebook, and it says "Sarah," personalized to the
 1
 2
     user, and then it goes on from there.
          But you don't know whether there was a news feed or
 3
     something else.
 4
 5
               MR. PARASHARAMI: No, I don't. This is something not
     in the record, your Honor.
 6
 7
               THE COURT: All right. Well, it will be news feed,
     jewel and the emails.
 8
 9
          Now, the emails you all are going to do, Mr. Williams.
     Okay?
10
11
          Now, my next question is when can we get all of this done?
     It looked to me like -- can we get it out by May 30th?
12
13
     40 days before trial.
                              I think that's right, your Honor.
14
               MR. WILLIAMS:
                                                                  The
15
     papers -- defendant's papers made clear that they could get at
16
     least all of the email in a form that could be communicated to
     the administrator by next Friday, which is May 25th.
17
                           Is that right?
18
               THE COURT:
19
               MR. WILLIAMS:
                              Assume it goes over to Monday, you're
     at the 28th, which is at least two days before that.
20
21
               THE COURT: Maybe you can have them work on the
     weekend.
22
               MR. WILLIAMS:
23
                              Oh, that's Facebook.
24
               THE COURT: Okay.
                              They are compiling all the email to
25
               MR. WILLIAMS:
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send and will have it all compiled by the end of next week. 1 Αt 2 least that's what's in their papers. THE COURT: All right. So May 25th, unless something 3 dramatic happens, will be a bankable date. 4 5 Yes. MR. PARASHARAMI: Your Honor, just to be clear --6 7 THE COURT: I really need you to move the microphone. Just put it right in front of you. Don't bend down. 8 Just move it towards you, so you can stay upright and still speak. 9 MR. PARASHARAMI: Is this better? 10 11 THE COURT: No. Move it closer. 12 MR. PARASHARAMI: All right. Thanks. Thank you, 13 your Honor. 14 I just wanted to --15 THE COURT: That's better. Go ahead. 16 MR. PARASHARAMI: Okay. Just on the question of 17 timing. You know, our declarant testified to what we could do 18 under essentially the proposal that we had made, and so I just 19 want to make clear that if -- you know, if it is some different 20 set of people that we're supposed to identify, then this Friday 21 date could never hold. 22 THE COURT: All right. Well, we can talk with that. 23 So it looked to me that, Facebook, you can go back -- so you have the IP address and some kind of advertising placement 24

technology to find people, right?

25

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Essentially we have something that
 1
               MR. PARASHARAMI:
 2
     we use to predict the home location of users, and that's what
     we use in our advertising processes.
 3
               THE COURT: All right.
                                       So you can use both
 4
 5
     techniques back to January of 2012 and then IP addresses only
     for 2011 and 2012.
 6
 7
                                That's essentially right, your
               MR. PARASHARAMI:
     Honor.
 8
               THE COURT: Seems fine.
 9
          Any problem with that, Mr. Williams?
10
11
               MR. WILLIAMS: Not for locating the email address,
12
     no.
13
               THE COURT:
                           Okay.
               MR. WILLIAMS: And if --
14
               MR. PARASHARAMI: And -- oh, I'm sorry, Sean.
15
16
               MR. WILLIAMS: Go ahead.
17
               MR. PARASHARAMI: Just to be clear, your Honor, the
     idea would be to try to identify individuals who are -- who are
18
19
     users that are residents of Illinois for purposes of
20
     identifying and are an over-inclusive, but appropriately
21
     tailored group of notice recipients.
                                 Now, let's talk about what I'm
22
               THE COURT: Yes.
23
     going to call the O'Hare problem. Okay?
          So you're living in Colorado. You are a Facebook user.
24
     You're connecting through O'Hare. You're there for two hours.
25
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As users often do, you check your Facebook to see what's happening in the 90 minutes that you are, you know, unavailable and then you leave.

Now, that will show an IP address for Illinois, but they are not going to be members of the class. They are residents of Colorado. So how are we going to deal with that?

MR. WILLIAMS: Well, two points there. On the residency issue, I do want to discuss that a little bit. It was one of the things that me and my colleagues and Facebook talked about over the weekend with respect to the content of the notice.

**THE COURT:** Okay.

MR. WILLIAMS: I think that is a difficult problem.

I don't think it's a difficult -- well, let me back up.

I think that if that person who landed in Illinois for an hour, checks their Facebook page, maybe even opened up, took a selfie and uploaded it onto Facebook, that person is going to have a scan of their face geometry done and possibly a template created.

I think your Honor was very, very clear in its class certification order about the class definition being limited to people who had a template created and stored in Illinois. What the Court did not do was -- what the Court did not do was limit it to -- to residents.

THE COURT: It doesn't have to be stored in Illinois.

1 MR. WILLIAMS: Correct.

THE COURT: It just has to be people who had templates harvested from data.

MR. WILLIAMS: I misspoke.

THE COURT: Yes.

MR. WILLIAMS: I think that the Court did not limit it to people who were, quote/unquote, residents.

We don't really have a -- an issue with the term
"resident" unless it becomes a requirement later that -- you
know, in a proof of claim that a person must show that they
were a legal resident in Illinois at the time that this
violation occurred. So we just need to work through that.

THE COURT: I don't think we need to sort through that now. Let's be common-sensical about this. This is an Illinois state law for Illinois people. Okay?

So if you're passing through O'Hare or driving through Peoria, you're not an Illinois person subject to BIPA. That's all we're talking about. So how are you going to sort that out?

Facebook, can you do something?

MR. PARASHARAMI: Yes. Our proposal is to -- in coming up with this list of potential notice recipients, which we believe is over-inclusive, but appropriately tailored for purposes of notice, but our proposal is to look for people who have a predicted home location in the State of Illinois for a

substantial portion of a year. And to us that was a good way 1 to come close to assessing residents. I mean --2 THE COURT: Well, just let me jump in. 3 I don't want to have any game playing with "substantial 4 5 portion." If they are there, they are there. 6 Now, I'm only talking about the O'Hare problem. intentionally called -- that's my term. I've intentionally 7 called it that so you get the gist of what I'm trying to 8 communicate. 9 If you are just passing through, you're not in the class. 10 11 If you have lived there for a month, if you have lived there for two months, if you've lived there for any period of time 12 13 and you're not just passing through, although you're not a lifetime resident, you are potentially part of the class. 14 15 Okay? 16 So I don't want to find out that, you know, you all built 17 in some eight-month limit, so that -- Facebook, you know, if 18 you ran your parameters and if you aren't there for eight 19 months, you're kicked out of the list. That I don't want to 20 have happen. 21 So how are you going to define that substantial -- can you -- like a -- a week or less. How about that, Mr. Williams? 22 23 MR. WILLIAMS: That's fine. And that was the problem I was worried about. 24 25 THE COURT: We have to have some -- you need some

gatekeeping time; right? 1 MR. PARASHARAMI: Yeah. 2 I wonder if that is, unfortunately, way too small just because of the --3 THE COURT: Let's talk about that. 4 5 How about -- you know, it's possible you could be on a 6 business trip or maybe a trial in the Northern District for two months. How about --7 I think it's fair to say just a month. MR. WILLIAMS: 8 If you're in Illinois for a month, that means that you have at 9 least some business or social issue that requires you to be 10 11 there, use the services of, you know, the state or city that are available to you. And even if you don't have a plan to 12 13 stay forever or a year, that a month, I think, puts you in a position where you're actually -- you're there and it's a 14 15 meaningful period of time. 16 MR. PARASHARAMI: There is sort of an indeterminacy 17 to that I think is problematic. And I guess the other point I would make is that this a 18 19 predicted home location. It's not as though we know for sure; 20 right? 21 So I guess my take is that if it's a relatively short 22 time, it's really not enough to know if they are there. 23 You know, I'm not trying to play games or anything like that. I think it makes sense to have something that is, you 24 25 know, tied to other standards in the law.

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So one example might be residency for tax purposes, which
 1
 2
     is --
                           That's a year, though. That's too long.
               THE COURT:
 3
               MR. PARASHARAMI: Well, often they say 100- -- you
 4
 5
     know, let's say over six months. 183 days is the IRS
 6
     requirement, just as an example.
 7
          I mean, I think, to me, that might be better than the
     alternative of, like, one week or one month. There is --
 8
               THE COURT: Let's just think this through. Now, this
 9
     is notice. Okay? This is not writing checks. There is -- a
10
11
     lot of things have to happen before that ever happens.
          Now, it's okay to be -- throw a wider net, cast a wider
12
13
    net for notice. It may be that we use a shorter time period
     for notice, but should the day come -- and who knows, maybe it
14
15
     won't, but should the day come that claim forms get submitted,
16
     we tighten it up. And, you know, you -- if it's less than
17
     three months, we'll just presume you were a transient and
     you're not going to be eligible to get any of the damages that
18
19
     might be awarded.
20
                              I think that makes sense.
               MR. WILLIAMS:
               THE COURT: We could do it that way.
21
               MR. WILLIAMS:
                              I think it makes sense. Wider in the
22
23
     beginning and narrow it later.
24
               THE COURT: Okay. So -- yes.
25
               MR. PARASHARAMI: I quess the other thing I would say
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is that if we change the parameters, we just do need to have
 1
     more time in order to effectuate that. I mean, you know, we --
 2
               THE COURT: You just push a different date in.
                                                                Ι
 3
 4
     mean --
 5
               MR. PARASHARAMI: It's not just like pressing
               I think it would take a lot.
 6
     buttons.
 7
               THE COURT: It's not just like pressing buttons?
               MR. PARASHARAMI: Well, it might be like pressing a
 8
     lot and lot and lot of buttons.
 9
               THE COURT: What else could it be but pressing
10
11
    buttons?
              You're Facebook.
               MR. PARASHARAMI: Your Honor, I appreciate that.
12
                                                                  Ι
     quess maybe I should have been more -- more apt. It's not like
13
14
     pressing one button.
15
               THE COURT: Fine. You have to change the algorithm
16
     or whatever.
17
               MR. PARASHARAMI:
                                 So then I would, your Honor, ask
     for enough time to effectuate that. You know, I obviously will
18
19
     warrant that we will work with alacrity, but this is being
     developed for the first time --
20
21
               THE COURT: We'll come back to timing at the end.
     Let's work out all these little things first.
22
23
          So I'll tell you what. We'll reserve the claimant
     eligibility issue on location until we get to the claim stage,
24
25
     should that happen. Who knows?
                                      It may not.
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And for notice purposes, let's just -- I think two months or less is not -- is presumptively transient. So, you know, more than 60 days will be the notice cut-off.

MR. PARASHARAMI: And, your Honor, so my take would

be that that should be 60 continuous days, because otherwise if it's --

THE COURT: That's fine. I don't have a problem with that.

MR. WILLIAMS: Well, I guess one thing that we need to know is what -- what are the manners in which they are actually putting parameters around the search now.

THE COURT: You anticipated my next question.

So, Mr. Parasharami, just tell me, just generally, how is all this going to happen? How is that list going to get populated?

MR. PARASHARAMI: Well, so we attempt to look for what's called predicted home location, which is essentially this method that we use for advertising to try and predict, you know, for advertisers where somebody will be. What their home location is on a specific day. Right? And so I guess we would look for the number of hits, you know, for a number of days per person.

So it requires a complicated search. I'm no engineer, so I can't, you know, begin to understand what they do to get there, but I do understand --

Somehow I'm confident Facebook can do it. 1 THE COURT: But let me just ask this. This is all the existing 2 technology. There is nothing different. For example, you'll 3 4 just take what Facebook normally uses and just adapt it for 5 this purpose. 6 MR. PARASHARAMI: Right. I quess the -- the predicted home location technology is existing technology. 7 process of searching for this, obviously, is not something it 8 ordinarily has to do --9 THE COURT: I understand. You're just tailoring 10 11 existing search protocols for this project. Just like if I were Procter and Gamble, you would be tailoring it for Procter 12 13 and Gamble. You're just using pre-existing -- I want your assurance 14 15 this is not a new, different or unusual software. This is what Facebook does in the ordinary course of business to get this 16 17 information. MR. PARASHARAMI: I understand your question, your 18 19 I think it is accurate to say that the underlying 20 information of predicted home location is part of our course of 21 business. The searching of it. The substantial engineering time 22 23 needed to actually get this information pulled, the pulling of

an email list, is not part of our ordinary course of business.

THE COURT: I understand. Of course not. This is

24

25

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This isn't -- class action trials don't happen
 1
     litigation.
     every day, even for Facebook.
 2
          Now, for the IP addresses, how are you going to harvest
 3
     those?
 4
 5
               MR. PARASHARAMI:
                                 That specific of how to do it is
     beyond my knowledge, but my understanding --
 6
               THE COURT: Just generally. What do you understand
 7
     is going to happen?
 8
               MR. PARASHARAMI: I think we have data and we are
 9
     going to look at that data. I mean, at that level -- the
10
11
     engineers understand it and, as I say, I think we can do it
     with reasonable speed.
12
13
               THE COURT: All right. Okay. So we're going to set
     a target date of May 25th for this. All right?
14
15
          Now, if there is any extraordinary problem, you can let me
16
     know, like, the day before and we'll see what we can do.
17
               MR. PARASHARAMI:
                                Your Honor, just to try and -- I
     think that given this time frame of the two months, I -- that
18
19
    has been -- you know, we're going to have to start on it.
20
     just do not know that starting today, we can get it done by the
21
     25th.
          I would ask, rather than us coming back to you on the 24th
22
23
     or 25th -- the 24th is three days from now, and saying --
               THE COURT: Well, your declarant says they -- we're
24
25
     talking about what was in the declaration. He said he could do
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1
     it by the 25th. What's the problem?
               MR. WILLIAMS: I think they said they already
 2
     started.
 3
               MR. PARASHARAMI: Yeah.
                                        Started on, I think, a
 4
 5
     different time frame. So I just don't know. I think, your
     Honor, if we --
 6
 7
                           It's a mildly longer one. I mean, if you
               THE COURT:
     were doing six months, this is just now three months shorter.
 8
               MR. PARASHARAMI:
                                 Yeah.
                                        If we have to restart our
 9
     work in order to do it, then that might expand the time.
10
11
               THE COURT:
                           I will be surprised, but you ask and
     figure that out. But all we're doing is the -- literally the
12
13
     only thing we're doing is, apparently, starting a little bit
     earlier than you might have. That's all. Maybe they did start
14
15
     earlier.
              Who knows?
16
               MR. PARASHARAMI: Right.
                                         So I'm saying we would have
17
     to start the search now, as opposed to having already tried to
18
     start work on this.
               THE COURT: All right. May 25th is going to be the
19
     target date. You let me know if there is any problem with
20
21
           We're going to shoot to get everything out by May 30th.
     that.
22
     Okay? That will give us 40 days before trial.
23
                     Now, I do want to -- then you all can raise
          All right.
     any other issues you want to, but let's just go over the long
24
25
     form notice as amended in the, what is it, reply filing,
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Mr. Williams?
 1
               MR. WILLIAMS: We filed a declaration on Friday
 2
     afternoon.
 3
               THE COURT: Yes, that one. I want to use that one.
 4
 5
     Okay.
 6
               MR. WILLIAMS: I think it's docket -- the red line is
     381-2, if that's helpful.
 7
               THE COURT: Let's actually take the original un-red
 8
     lined one, 381-1, which is plaintiff's revised long form
 9
     notice. Let's just go through it.
10
          There are a couple of changes I'm going to make and then
11
     we can discuss whether other changes need to be made as well.
12
13
     So on Page 1, that all looked fine to me.
          Mr. Parasharami, any problems with that?
14
15
               MR. PARASHARAMI: I'm sorry. You're looking at
16
     380 --
17
               THE COURT: 381-1, the long form notice, called
     Exhibit A.
18
                              381-1 was filed on May 18.
19
               MR. WILLIAMS:
               THE COURT: May 18.
20
21
          Maybe you two can share?
               MR. WILLIAMS: That's fine. I don't have my winning
22
23
     case notes here.
               THE COURT: Exhibit A.
24
                              381-1 is the clean version.
                                                            381-2 is
25
               MR. WILLIAMS:
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the red line.
 1
          (Whereupon document was tendered to counsel.)
 2
               MR. PARASHARAMI: Oh, thanks. Appreciate it.
 3
               THE COURT: Okay. Page 1 seems fine.
 4
 5
          Any problem with that, Mr. Parasharami?
 6
               MR. PARASHARAMI: Your Honor, we -- we do, you know,
 7
     for -- you know, I guess -- I think an appropriate --
     especially since we have some time, but what I would propose is
 8
     that we submit --
 9
               THE COURT: No, we're just going to do it now. Let's
10
11
    get this thing done.
          Look, this is one of my oldest cases. Okay? We can't
12
    keep pushing things down the road. The time for trial has
13
           You're here. I'm here. I've got a million other things
14
     come.
15
            Trust me, I have a lot more than you do. Let's just
16
     finish this now.
                       Okay?
17
               MR. PARASHARAMI: I appreciate, your Honor --
               THE COURT: So any problems that are not in your
18
    brief?
            Any objections to Page 1?
19
20
               MR. PARASHARAMI: Yeah. Our concern is that the use
21
     of the phrase "biometric data" is inaccurate because it doesn't
22
     appear in the statute. It's not what the claims are --
23
               THE COURT: What do you want, "biometric
     information"?
24
               MR. PARASHARAMI: "Identifiers," your Honor.
25
                                                             That's
```

the phrase in the statute and that's the -- that's the phrase 1 that they are -- that the plaintiffs are actually litigating. 2 THE COURT: This has no legal interpretive effect. 3 You understand that? So this is just telling people in the 4 world in a practical and reasonable way what the case is about. 5 I think that idea of identifiers, it's not going to tie 6 7 your hands. It's not going to tie anybody's hands. certainly not going to tie my hands. We just want to 8 communicate to people in a way that they understand. 9 I'm going to overrule that. "Data" is fine. 10 That is not 11 an interpretation of BIPA. It is not meant to be a statement You know that. This is just telling folks in the 12 of law. Hey, maybe I should do something. Okay? 13 MR. PARASHARAMI: I think that the problem is it 14 15 misstates the claims, and Rule 23(c)(2) requires an accurate 16 statement of --17 THE COURT: It is accurate, Mr. Parasharami. Trust I have been writing Facebook order after Facebook order 18 19 for the last two months. All right? This thing is going to 20 get done. So if you want to say "information" because you don't like 21 the word "data," that's fine. It does not have to slavishly 22 23 follow the statute to be accurate and informative. Now, what do you want to say if you don't like the word 24

"data"? Would you prefer to say "information"?

25

```
MR. PARASHARAMI:
 1
                                 Umm --
 2
               THE COURT:
                           "Materials"?
          I don't know why the word "data" is objectionable, but if
 3
 4
     you don't like it, I will entertain a substitute.
 5
               MR. PARASHARAMI:
                                 Yeah.
                                        I --
               THE COURT:
                           "Stuff."
 6
 7
               MR. PARASHARAMI: Oh, no.
                                          I --
               THE COURT: "Your face," how about that?
                                                          "Stored
 8
     your face."
 9
               MR. PARASHARAMI: Yeah, I don't think that's quite
10
11
     right.
             I think -- do we prefer "information"?
12
               MS. GOLDMAN:
                            Yes.
               MR. PARASHARAMI: "Information."
13
14
               THE COURT: "Information," okay.
15
          Mr. Williams, do you have any problem with that?
16
               MR. WILLIAMS:
                              No.
17
               THE COURT: That will be changed to "information."
          Okay. Anything else on Page 1, Mr. Parasharami?
18
               MR. PARASHARAMI: Yeah. I think -- I think
19
20
     throughout where there are references to "in Illinois," and
21
     this is a global problem with the notice, it should refer to
     "residents."
22
23
          I think that, you know, the Court has said in its class
     certification order, the order granting class certification,
24
     that the class consists of Illinois residents; that it is not a
25
```

```
class of Illinois non-residents.
 1
                              That's inaccurate.
 2
               MR. WILLIAMS:
               MR. PARASHARAMI: Well, on Page 13 it says -- the
 3
     order says that this is not a class of Illinois non-residents.
 4
 5
               MR. WILLIAMS:
                             Your Honor, what he's referring to on
     Page 13 of the order -- first, the class definition is:
 6
               "Facebook users located in Illinois for whom
 7
          Facebook created and stored a face template after
 8
          June 7, 2011."
 9
          That's on Page 15.
10
11
          Page 13, that Mr. Parasharami is referring to, is a page
     where your Honor was discussing the extraterritoriality issue
12
     and actually -- and the Avery case, which -- in which case the
13
     issue was plaintiffs who brought suit under an Illinois
14
15
     statute, but lived outside of Illinois. And you are
16
     distinguishing that set of circumstances --
17
               THE COURT:
                           I remember that all quite clearly.
          Why don't we do this? I did say "located." Why don't we
18
19
     say, "If you are a Facebook user located in Illinois"?
20
                              That's fine.
               MR. WILLIAMS:
               THE COURT: Okay? Make that change throughout.
21
22
            So, for example, starting in that bold language at the
23
     top and then elsewhere. Okay?
               MR. PARASHARAMI: Your Honor, just on that point.
24
                                                                   Ιt
     does seem like based -- the order said none of the class
25
```

```
members are non-residents, and I just think that it could be
 1
     misleading to people, to the extent that if they believe
 2
     that -- that there is some sort of broader criteria, you know,
 3
     located in what captured your O'Hare example. And I think that
 4
     would be very confusing to potential recipients of this.
 5
                           I think that's -- I'm not worried that
 6
               THE COURT:
     that's going to be confusing.
 7
          So we'll -- we'll meet you halfway there, Mr. Parasharami.
 8
     We will say "located in." Mainly to stay consistent with the
 9
10
     definition that's in the next paragraph.
11
          Okay.
                 Any other concerns about Page 1?
          Mr. Williams, you need to just take notes or have somebody
12
13
     on your team take notes so we can make all this good. Okay?
14
          All right. Anything else?
15
          (No response.)
16
               THE COURT: Page 2 is just the Table of Contents.
17
    Anything there?
               MR. PARASHARAMI: So, no, we don't have a problem
18
19
     with that.
20
               THE COURT: Okay. Page 3. I am changing Section 1
21
     to -- we're going to delete entirely the sentence, "The trial
     will decide."
22
                  Okay?
23
          So it should go from bracket date to my name.
                                                          Take that
     middle sentence out.
24
          And then in the second line "You have legal rights," say
25
```

```
"Before the Court holds a jury trial." All right?
 1
                                                          So add
     "jury" there and take out "the trial will decide" line.
 2
          Mr. Parasharami, any concerns about Page 3?
 3
               MR. PARASHARAMI: So I quess globally we've covered
 4
 5
     the change from "data" to "information"?
 6
               THE COURT: All right, yes. That will be made
     throughout, along with the "located."
 7
          Okay. Anything else?
 8
               MR. PARASHARAMI: Yeah. I think in the last sentence
 9
     of 2, we think it's --
10
11
               THE COURT: 2?
                               Okay.
12
               MR. WILLIAMS:
                              Section 2.
13
               THE COURT: Yes.
               MR. PARASHARAMI: Section 2.
14
15
               THE COURT:
                          Yes.
16
               MR. PARASHARAMI: We think it's important to instead
17
     of repeating the phrase about the "stored biometric data
18
     without prior consent, " to identify the statutory requirement,
19
     which I'll agree is part of the requirement of being aggrieved
20
    by a violation of the statute.
21
               THE COURT: All right. So what are you asking?
22
               MR. PARASHARAMI: To delete -- where it says "any
     person in Illinois, " and then delete "from" through "consent to
23
     aggrieved by a violation of the statute."
24
25
               MR. WILLIAMS: I'm not sure I understand.
```

```
I don't see the word "from." Where is
 1
               THE COURT:
            This is Paragraph 2, "What is this lawsuit about?"
 2
     that?
               MR. PARASHARAMI: So we would change after "BIPA
 3
 4
     allows any person in Illinois from."
 5
               THE COURT: The last sentence, I see. "BIPA allows
     any person in Illinois."
 6
               MR. PARASHARAMI: "Aggrieved by a violation of the
 7
     statute, " is what we would say in place of "from" through
 8
 9
     "without prior consent."
               THE COURT: Can we just drop that last sentence
10
11
     entirely? Do we really need it? It seems a little duplicative
12
     of anything else.
                              The reason we had it in there is
13
               MR. WILLIAMS:
     because we felt we needed to actually explain the damages, the
14
15
    potential. But if that's out, we're comfortable with it.
16
               MR. PARASHARAMI: We're fine with deleting the
17
     sentence.
               THE COURT: All right. That last sentence will be
18
               Let's take that whole thing out and make it shorter
19
     deleted.
20
     anyway.
21
                 Anything else on Page 3?
               MR. PARASHARAMI: I think -- I think in the first
22
23
     bullet on the response to -- the response No. 4, where it says,
     "who have been tagged in photographs and, thus, had face
24
25
     templates created."
```

```
I'm not sure that's entirely clear that that's right.
 1
                                                                 And
     I would just cut "who have been tagged" --
 2
               THE COURT: How about if we drop all those bullet
 3
 4
     points?
              For notice purposes, do they really need --
 5
               MR. PARASHARAMI:
                                 That's fine.
               MR. WILLIAMS: Don't need them.
 6
 7
               THE COURT: All right. All the bullet points are
     out. All the little dot things will be out. Okay.
 8
     good. All right. So that takes care of that.
 9
          Page 4. Any concerns, Mr. Parasharami?
10
11
               MR. PARASHARAMI: So, again, the -- I think we're
     replacing "biometric data" with --
12
13
               THE COURT: That's going to happen universally.
     don't worry about that.
14
15
          (Brief pause.)
16
               THE COURT: All right.
                                       Nothing this?
17
               MR. PARASHARAMI: Yeah. I -- we would like to
     supplement, and I just don't have language here, but six
18
19
     with -- you know, because I think if I understand right --
20
               THE COURT:
                           Six, okay.
                                       Yes.
21
               MR. PARASHARAMI: Mr. Williams and I are probably
22
     going to submit after this a joint document that contains
     our -- our views of what this should look like for the Court's
23
                So just -- you know, I think that might be a good
24
25
     way to proceed.
```

1 But with that, we want to provide a --2 THE COURT: Can I tell you what I used to do when I was on your side of the case? I would just say: We disagree 3 entirely and consider ourselves to be as innocent as the new 4 5 I mean, how much more do you need to say? MR. PARASHARAMI: I think with respect, I appreciate 6 7 that, but we would like to communicate our point of view. Can I -- I quess I can read into the record what our view 8 would be for -- for six and --9 I'll tell you what. Just work it out 10 THE COURT: 11 today. MR. PARASHARAMI: Is that all right, your Honor --12 13 THE COURT: Any reasonable statement. They can say 14 whatever they want. 15 One point I'd like to make there. MR. WILLIAMS: 16 THE COURT: Yes. 17 MR. WILLIAMS: It's their position they want to say whatever they want, that's fine. 18 What they do want to add, though, which we talked about 19 yesterday, which was that they have a current petition with the 20 21 Ninth Circuit pending under 23(f). And I explained that, look, it's not in the Ninth Circuit. It's a petition and it's not --22 23 have relevance to any person that is going to be reading this for notice purposes. 24 25 And so we didn't think that that had any role in --

```
Well, I agree with that. You can just
 1
               THE COURT:
     say -- we're talking about the merits here, okay, not
 2
     procedural things. So just whatever you want to say on the
 3
 4
     merits.
 5
               MR. WILLIAMS:
                              They can say whatever they want to
 6
     say.
               THE COURT: They can do whatever they like.
 7
                                                             If you
     have any objections, let me know. Okay?
 8
          Let's get that done by tomorrow -- I would like to have
 9
     this back first thing tomorrow morning.
10
11
               MR. PARASHARAMI: Your Honor, with that in mind, I
     think -- and we have been negotiating over the weekend.
12
13
     think there might be some value in -- and I think we agreed on
     a lot of things, Sean, I think it's fair to say.
14
15
               MR. WILLIAMS: Except last night wasn't quite an
16
     agreement.
17
               THE COURT: Just talk to the Court not to each other.
     Talk to me.
18
          What's the issue?
19
               MR. PARASHARAMI: Your Honor, I think it might be
20
21
     appropriate for us to -- you know, if we can agree on certain
22
     other changes to this, we would put in it a red line for your
23
     Honor --
24
               THE COURT: You can do whatever you want, but this is
25
     the baseline.
                    Okay?
```

```
MR. PARASHARAMI:
 1
                                 Sure.
 2
               THE COURT: If you want to riff on it some more,
     that's fine, as long as everybody agrees.
 3
               MR. WILLIAMS: And the changes that your Honor has
 4
 5
     suggested right now, we're fine with those.
               THE COURT: Those are all mandatory. Okay?
 6
                                                            They're
 7
    not to be negotiated.
          Now, I do not want to see 15 other topics of this
 8
 9
     agreement.
                 This is your time. So don't go home and think:
     I'm going to add 20 more points. We're getting this done now.
10
11
          Now, I will let you negotiate your insert. That's fine.
     Okay? Now, if there is anything else you both agree on, that's
12
13
     fine, too.
               MR. PARASHARAMI: And is that true throughout the
14
15
     document?
16
               THE COURT: That's through for the entire notice.
17
           This is it. This is your show time.
     Okay?
               MR. PARASHARAMI: Appreciate it, your Honor.
18
19
               THE COURT: Okay. Anything else on Page 4?
20
          (No response.)
21
               THE COURT: All right. Page 5?
          (Brief pause.)
22
23
               THE COURT: Now, I have to say for number ten, I
     understand there is not going to be a website that
24
25
     automatically tells you. That's fine.
```

But I think the wording of this properly captures the fact that they will be notified later after all of the checking mechanisms are put into place and it's determined. So I don't have a problem with that.

MR. PARASHARAMI: Your Honor, on this we feel very -there is not going to be some process by which -- that can
inform potential class members accurately whether they are
class members or not. So that's a pretty important point.

THE COURT: I agree with that. But I think this notification just says go to this website, type your name in and we'll get back to you.

It doesn't say we're going to instantaneously determine whether you're a class member or not.

MR. PARASHARAMI: I think that -- at least if I were a class member reading that, I would think that by putting my information in, I would get some return at some point on whether I'm a class member or not. And that is typically --

THE COURT: It says you will be notified.

MR. PARASHARAMI: So that -- that essentially almost never happens in class actions. To my mind -- and I do a lot of class actions and class action notices. To me, this is both unheard of and, frankly, totally impractical. I don't think it's necessary to -- for purposes of understanding whether somebody should opt in or opt out.

I think the other problem with that is that if somebody is

choosing whether to exercise their due process right to opt out of the class, they might believe they could go to a website and actually provide that information.

This is -- at the end of the day if there is a trial in the case and, you know, a final resolution, there would always need to be a claims process in order to determine who is in the class. So I think this is wholly misleading.

I think striking it is -- would be useful. And, you know, I think we have --

THE COURT: Well, all right. I don't agree with any of that, but in the interests of expediency, can we just drop it?

MR. WILLIAMS: I don't think that it's misleading at all. I think it's helpful.

THE COURT: Why do we need it? Why do we need it?

MR. WILLIAMS: The only reason that we need it is so that class members or potential class members can go to the website and find out more about the case and whether or not they may be part of the class. It's more informative than anything else.

MR. PARASHARAMI: But I think throughout this document you're going to have places where you say: For more information about the class action, you know, look at this web page. This is specific about class membership.

MR. WILLIAMS: Your Honor, if you think -- if you

think it's --1 THE COURT: Hold on, everybody. We've got plenty of 2 time here. 3 Now, let me ask you this. Are you looking to harvest 4 5 something from this cite that you need? No. 6 MR. WILLIAMS: 7 **THE COURT:** Any data or anything like that? MR. WILLIAMS: 8 No. 9 THE COURT: Okay. I thought maybe this was an effort to get extra clarity on who might be -- but it's not. 10 11 MR. WILLIAMS: Well, the -- the website and people logging in or putting their name and information in there and 12 13 getting info about whether or not they may be in the class, that it's more helpful to the notice recipient than to us. 14 15 MR. PARASHARAMI: This is a website that can never 16 really exist because there won't be a process for checking them 17 against -- there is no class membership list to check against. 18 And that's why I say I think it was -- and 11 is kind of the 19 They say "you will be notified" --20 THE COURT: Slow down here. We are going to determine who has a face template. There is just no question. 21 22 That is going to happen. It may not happen now for the notice 23 period, but it is going to happen when we get to the claim stage should that day ever arise. 24 25 MR. PARASHARAMI: So I think that's a totally

different process and that including language about some -- you know, about some website now would be misleading because it would imply that you could find out before the claim is processed.

I agree that, you know, at the end of the day there will be a claims process. That should be delineated later, not in this notice.

It would be misleading to tell people -- I assume that the blank is a -- so if I may? That the blank is going to be the class notice website. That's typically what the blank refers to.

But that notice website, as -- you know, when somebody gets an email, if they click on this link, there is not going to be anything on that website that allows them to actually get information about whether they are in the class or not during the opt-out period.

And the whole purpose of notice is for people to be able to decide whether or not to opt out. That's sort of the touchstone of due process. So this is not just kind of a side issue. This is actually pretty important.

And, you know, I -- I think if we're going to, you know, take this seriously, we have to got to not include misleading information like this.

MR. WILLIAMS: I think I understand the issue now, your Honor. I had not heard this before.

I think that what Mr. Parasharami is suggesting is that --1 2 that this -- this suggests that you can go to a website now and determine if your name is going to be among those. 3 And I agree, that that's not -- I don't think that that's 4 5 There won't be any information populated in there, necessary. 6 in that website now about whether or not your name is --7 I started off by saying yes. THE COURT: It says, we'll let you know later. But I thought it was to help define 8 specifically people who might get missed otherwise, but you 9 said no. So if you want to put in a general, "for more 10 11 information, see..." MR. WILLIAMS: "For more information." We can do 12 13 that. THE COURT: How about that? 14 15 MR. WILLIAMS: Yes. 16 MR. PARASHARAMI: I think that's the kind of thing 17 that we could readily negotiate. **THE COURT:** All right. So why don't you just redo 10 18 and 11 and just make it: For more information, please see your 19 20 cite. Okay? MR. PARASHARAMI: Your Honor, I do think in 11 there 21 is the potential to mislead people. And 10 as well, for that 22 23 But certainly in 11, in talking about whether you're in the class or not. 24 Just uploading one photograph might not be enough to put 25

I think there should be some -- some 1 you in the class. qualifier, like, enough photographs just to make it clear. 2 THE COURT: You two try to work something out. Ι 3 mean, I think 10 and 11 could probably just be one item. 4 5 MR. WILLIAMS: Can I be heard on this point, because it's one that we discussed yesterday. 6 7 THE COURT: Sure. Okay. Whether or not a person uploads enough MR. WILLIAMS: 8 photographs for a template to be created is an issue that a 9 notice recipient is not going to understand. Frankly, it is --10 I don't even know that it's accurate. 11 So what defendants are suggesting is that in some 12 13 instances you may have to upload more than one photograph or there needs to be more than one photograph of you in order for 14 15 a template to be created. 16 That issue is going to come out at trial in one way or 17 another. It's not necessary here at all. THE COURT: I agree. Look. The way to approach 18 19 notice is you have to have had at least one photo uploaded. 20 That may not be enough. We'll see. Have to dispute this at 21 trial maybe. 22 MR. WILLIAMS: Right. 23 THE COURT: But let's not -- we're not going to get into that now. 24 Okay. I think all of this can probably just be for more 25

information and to help you think about your rights, you know, 1 something along those lines, and whether you want to stay in or 2 stay out, you can go to this website or call you. 3 MR. WILLIAMS: That's right. 4 5 THE COURT: Not me. Call you. Okay? I'm not sure 6 we say that enough actually. I know it's at the end, but think 7 about maybe in the beginning when you mention my name, "Please do not call the Court." Ms. Clark and I would be very happy. 8 9 Okay. MR. WILLIAMS: Will do, your Honor. 10 11 THE COURT: All right. MR. PARASHARAMI: This is something we can probably 12 work out with Mr. Williams, but for -- if we're on number 12, I 13 think that would be a good place to say "Do not contact 14 15 Facebook or the Court." 16 THE COURT: That's fine. You can put that in, too. 17 That's perfectly fine. In fact, that probably is not a bad idea. Why don't you 18 say, "Please do not email or do anything to Facebook because it 19 20 will not be seen. You need to go through this process." 21 All right? 22 MR. PARASHARAMI: Right. 23 THE COURT: All right. Page 6. Oh, I do have -- the exclusion process, I think, is not adequate. We'll get to that 24

25

in a moment.

```
Anything up to -- in the first paragraph or Paragraph 14
 1
 2
     on Page 6?
               MR. PARASHARAMI: I don't believe so, in the first
 3
     paragraph.
 4
 5
               THE COURT: Nothing, okay. Paragraph 14.
               MR. PARASHARAMI: Are we on the second paragraph?
 6
               THE COURT: Yeah, the one that's numbered 14.
 7
               MR. PARASHARAMI: Yeah. So we didn't have an issue
 8
 9
     in the first paragraph.
          I guess on the second paragraph, I think that the last
10
11
     sentence of that paragraph is a little bit confusing.
               THE COURT: "If you exclude."
12
13
               MR. PARASHARAMI: It sort of presumes why somebody
     might exclude themselves, and it seems to give them, you know,
14
15
     legal advice, which I think is probably not the function of a
16
     class notice.
17
               THE COURT: Why don't we just do this, "If you
     exclude yourself, you should talk to your own lawyer soon."
18
19
    How about that?
20
                              That's fine with us, your Honor.
               MR. WILLIAMS:
               THE COURT: Let's just do that.
21
               MR. PARASHARAMI: I think that's fine.
22
23
               THE COURT: Okay? All right. So, "If you exclude
     yourself, you should talk..."
24
          Now, 15, Mr. Williams, you went from the 21st century to
25
```

```
the 19th when you want to opt. I think U.S. mail is just
 1
    not -- not the right technique. You need to have a click "opt
 2
    me out, " a -- you know, something easy. Do not go to a
 3
     different website. Just something that can say, "Please
 4
 5
     exclude."
               MR. WILLIAMS: We talked about that with the claims
 6
 7
     administrator over the weekend and this morning and that can be
     electronic.
 8
               THE COURT: All right. I think U.S. mail should be a
 9
     last resort, if there at all. Okay? Because it's just -- in
10
11
     this day and age, and particularly for this case, it's not that
             All right?
12
     suited.
13
               MR. WILLIAMS:
                             Yes.
               THE COURT: All right. You work that out.
14
15
          Okay. Page 7? Anything on Page 7, Mr. Parasharami?
16
               MR. PARASHARAMI: Yeah. My understanding is that
17
     plaintiff's counsel had some changes on their communications
18
     issues on Page -- on 16.
               THE COURT: On which one?
19
               MR. PARASHARAMI: On number 16, but I suspect we can
20
21
     work that all out.
               MR. WILLIAMS: Oh, on 16 we're just going to change
22
23
     the telephone numbers. We have an 800 number that we would
     like to --
24
25
               THE COURT: Oh, okay. Good. 1-800 number.
```

```
MR. WILLIAMS:
                              Each firm has an 800 number that is --
 1
     has people trained to answer questions related to the notice or
 2
     questions from potential class members.
 3
               THE COURT: All right.
 4
                                       Okay.
 5
          All right. Anything on Page 7? I do -- I'm going to
     change the trial section, but we'll -- anything before that,
 6
    Mr. Parasharami?
 7
               MR. PARASHARAMI: No, not -- no.
 8
 9
               THE COURT: On the trial, just -- let's have that
     entry sentence read, "The Court has scheduled a jury trial to
10
11
    begin on July 9, 2018."
          Just take out the rest. End after 2018.
12
13
          Okay. Anything else on Page 7, Mr. Parasharami?
14
               MR. PARASHARAMI: No, not on -- not on the -- one
15
     second.
16
               THE COURT: Anything on Page 8?
17
               MR. PARASHARAMI: Sorry. I'm just comparing.
               THE COURT: Yes, that's fine.
18
               MR. PARASHARAMI:
19
                                 No.
20
               THE COURT: Okay. Now, you two finish those little
21
     things you're going to work out. Get it to me by tomorrow
22
     morning and then tailor the short form to correspond to all the
23
     changes we made to this one. Okay?
               MR. WILLIAMS: Will do.
24
25
               THE COURT: All right. Anything else I can help you
```

with on notice?

MR. PARASHARAMI: I think we do want to talk about timing again, your Honor.

You know, we made -- I mean, first of all, obviously, we will do our best and we will keep the Court informed about creating the list of notice recipients. Obviously, as your Honor said, we will target the 25th.

We make clear in the declarations that we filed that a -that the news feed would take a week longer than that after the
list is completed and that the jewel notifications would take
two weeks longer than that. Just so your Honor is aware of
that.

THE COURT: Why is that?

MR. PARASHARAMI: That was -- that was for the computing time and resources, engineering resources that would take to do it. We asked how long would that take, and that's what we were told.

THE COURT: Two weeks to post something on a jewel?

MR. PARASHARAMI: Yeah, because this isn't -- it's not something that we have just set up. It's not -- again, it's not like you press one button.

I appreciate that buttons are pressed, but lots and lots of buttons are pressed here.

THE COURT: How can it take two weeks to do that? I mean...

1 MR. PARASHARAMI: I mean, that is --2 THE COURT: I didn't get that. I find it little counter-intuitive, to be honest. 3 But why does it take -- the jewel mechanism is set up. 4 5 You've just got to populate the text box. Why does that take 6 two weeks? 7 MR. PARASHARAMI: I just don't think that's how it And we can talk to the engineers and get you more 8 9 detail. In the -- we had, as you know, almost no time to deal with these issues. 10 11 THE COURT: I really disagree with that It's just not right. You had plenty of 12 characterization. 13 time. We can take it down to 30 days and you still have plenty of time. So this is not -- and particularly for an online 14 15 company that moves with alacrity when it chooses to in other 16 circumstances, I find the time protestations to be a bit 17 hollow. Now, what I would like to do is understand why it takes 18 19 two weeks to populate a jewel content. I don't get that. 20 you know? 21 MR. PARASHARAMI: We talked to our engineers and No. asked them what would it take and that is what we were told. 22 23 **THE COURT:** I need more detail on that. skeptical, quite skeptical that Facebook cannot turn on less 24 25 than two week's notice to post a jewel. That's what you're

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telling me. 1 I'm going to hold you to that. And I'm finding it very, very hard to believe that there is an iron-clad algorithmic online law that Facebook cannot do a notice on less than two 5 week's prep time. I'm very skeptical. Now, maybe that's right, but I'm going to need to see some proof. I am going to remember that you told me that, Mr. Parasharami. MR. PARASHARAMI: I appreciate that, your Honor. Ι wouldn't tell you that if I did not think --10 THE COURT: You're not able to tell me the details 11 12 why, which makes me concerned. 13 MR. PARASHARAMI: Yeah. Again, in sort of the time frame for trying to brief these issues in the last two to three 14 15 days, or whatever it's been, we tried to get quick answers to 16 how to accomplish this task. 17 THE COURT: All right. I want to see a detailed declaration from the engineer who does this explaining to me 18 19 that it is literally impossible for Facebook under any 20 circumstances to post a jewel notification on less than 14 days 21 notice. That's what I expect to see. You get that to me by 22 tomorrow at 5:00 p.m. 23 Now, what about the -- you said it took a week for what? MR. PARASHARAMI: For the news feed.

THE COURT: I want the same declaration for the news

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1
     feed.
            I do not want generalities. I want specific
 2
     understandings. And I want that person to say that they have
    never been able to do this before and it's literally impossible
 3
     for Facebook to post anything in a jewel notice on less than
 4
 5
     two week's notice no matter what. And it is impossible for
 6
     Facebook to post anything in the news feed on, what is it, less
 7
     than seven days. That's what I expect to see.
               MR. PARASHARAMI: I think that that's a -- I'll just
 8
                 I think that's a bit unfair. We asked for the best
 9
    be direct.
10
     estimate of the time it would take and --
11
               THE COURT: We're not talking about that.
     talking about your representations to the Court,
12
    Mr. Parasharami, that Facebook could not do this on less than
13
     two week's time. I want to see the evidence for that.
14
15
          That's what we're talking about, not the overall time in
16
     the case. I want to see the data behind that representation.
17
               MR. PARASHARAMI: I just want to be clear --
               THE COURT: I want to have an engineer tell me, under
18
19
     penalty of perjury, that it is literally impossible for
20
     Facebook to do that on less than two week's notice, because I
21
     am deeply skeptical.
               MR. PARASHARAMI: So I want to be clear.
22
                                                         I don't
23
     think I'm representing the words "literally impossible."
     I was representing is what I understood is the time that they
24
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forecast it will take.

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Do they -- I think it's not like it's been -- I just don't
 1
     know the answer to that. I think that --
 2
               THE COURT: You told me two weeks. Now --
 3
               MR. PARASHARAMI: That's our best estimate. I think
 4
 5
     it's a legitimate --
               THE COURT:
                           I'm not going to accept a best estimate.
 6
 7
     When you tell me, as you did, that you cannot do it, no way, no
     how, on less than two week's notice, I want to see the evidence
 8
                I don't believe that's true. Now, it may be, and I
 9
     for that.
     may learn something, but I'm skeptical that that's true.
10
11
          You get that to me tomorrow at 5:00, and you get the news
     feed one at the same time.
12
13
          Anything else I can help you with?
               MR. PARASHARAMI: On that issue, your Honor, i would
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15
     just ask if I turns out -- and I'm not trying to be difficult
16
            If it turns out we can do it quicker, we will try, but I
17
     -- and then -- and we'll learn that.
          But we gave the Court the best information we had at the
18
     time we filed these declarations, you know, at the Friday
19
20
     5:00 p.m. deadline.
21
               THE COURT: We shall see, Mr. Parasharami.
          Anything else I can help you with, Mr. Williams?
22
                              Just one point, your Honor.
23
               MR. WILLIAMS:
               THE COURT: Yes.
24
25
               MR. WILLIAMS: Actually two.
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To the extent that you're satisfied with whatever you get from Facebook on those issues, it shouldn't stop whatever they can do quickly should get out. We can stagger some of those issues, to the extent the Court is willing to do that.

THE COURT: I will take a keen eye to the timeline.

MR. WILLIAMS: And the next issue is just one I'm anticipating due to correspondence I have had with defendants over the last few days.

So when we were here last a few weeks ago, we asked you about your standing order on civil trials and the timing of the obligations of the parties in exchanging information so that you had the information that you needed within, I think it's 14 days of the pretrial conference.

THE COURT: Let me -- remind me when that is?

MR. WILLIAMS: It's June 14th. Pretrial conference
is June 14th.

THE COURT: Oh, okay. Yes.

MR. WILLIAMS: So that requires you to have the documents that you need by May 31st.

THE COURT: Yes.

MR. WILLIAMS: We met-and-conferred on May 2nd or 3rd regarding, you know, Exhibit Lists, Witness Lists, things that are going to require us to really talk about to get the documents before you in the form that you need them.

Last week we -- we agreed to exchange that information on

May 17th or 18th at the latest and plaintiffs have served their 1 Motions in Limine, the Exhibit List, the Witness List and other 2 materials to invite correspondence and discussion on those 3 matters so that we can get them, you know, together. 4 5 We got a response from Facebook saying that they needed another five or six business days to do their exchange. 6 7 haven't received anything other than Motions in Limine from them yet and so there is no work that can get done. 8 Last night I got an email from Facebook saying that they 9 may raise this issue with you to get more time to do the 10 11 exchanges, but they would like to do it in a way that doesn't affect the trial date, but it might affect the date on which 12 you get the materials in order to make decisions about 13 admissibility and things of that nature. 14 15 THE COURT: How many do you have? For example, how 16 many Motions in Limine do you have? 17 MR. WILLIAMS: Well, your limit was eight. served --18 THE COURT: You hit the limit? 19 20 Yeah. We served --MR. WILLIAMS: 21 THE COURT: You hit the limit. 22 We hit the limit. They served six. MR. WILLIAMS: Ι 23 think there are probably three of those that we'll work out. THE COURT: I know you know, because you're an 24 experienced trial lawyer, you both are, it's just evidentiary 25

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objections. Okay? It's not -- they are not mini summary
 1
     judgments. We are not covert Daubert motions. It's just:
 2
     This category of documents or this type of testimony should be
 3
     excluded because --
 4
 5
               MR. WILLIAMS:
                              We're true to that.
               THE COURT: -- it's character evidence, or something
 6
     like that. You had eight of those.
 7
               MR. WILLIAMS: We were true to that. I think that
 8
 9
     once --
               THE COURT: Can you give me a sample? Just a high
10
11
     level -- what are some of the issues that's your evidentiary
    problems?
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               MR. WILLIAMS: One of the issues is, for example, the
13
     admissibility of documents related to the Irish Data Protection
14
15
     Commission, which had audited Facebook in 2011 and 2012,
16
     particularly about the privacy issues and the way they were
17
     collecting biometric data.
18
               THE COURT: All right.
                              That's one thing we expect to be an
19
               MR. WILLIAMS:
20
     issue.
21
               THE COURT: Okay.
                              The next issue is the acquisition of
22
               MR. WILLIAMS:
23
     face.com, and issues around that. They have taken the position
     in pleadings that the facial recognition data --
24
25
               THE COURT: I just wanted a flavor. That's good.
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Okay. Sounds like you did the right thing on the motions. 1 You'll have plenty of time to argue that. 2 MR. WILLIAMS: But I think -- we did hit the limit of 3 eight, but I do think that we will be able to work out some of 4 5 them so that it comes down to maybe five --THE COURT: All right. 6 MR. WILLIAMS: -- or six. 7 THE COURT: Okay. 8 MR. WILLIAMS: But the Motions in Limine are not the 9 It's the other things that have to be done. The Jury 10 issue. 11 Instructions, the -- the proposed Jury Instructions, you know, the Exhibit Lists on negotiating admissibility and what that's 12 going to look like. 13 If we're not getting the exchanges from Facebook, we're, 14 15 you know, negotiating with ourselves and the time frame for us 16 to reach those agreements is going to get much shorter. 17 THE COURT: Well, let me just jump in. I have been thinking about Jury Instructions. Now, I'm presuming Illinois 18 19 does not have a model instruction for BIPA. 20 MR. WILLIAMS: No. 21 THE COURT: So this will be one of those rare

THE COURT: So this will be one of those rare circumstances where we're going to craft one. I don't think that will be terribly hard. I think that can be done in a page or two, maybe, and maybe some terms defined, as we do in the Jury Instructions. I'm not sure that's necessary, but I think

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we could do that. 1 And then there will be an issue on damages. Zero damages, 2 1,000 or 5,000. And I presume no one is attempting to prove 3 4 actual damages. 5 MR. WILLIAMS: That's right. THE COURT: Okay. So it's going to be statutory 6 7 damages. That's right. 8 MR. WILLIAMS: THE COURT: Okay. All right. So that's not an 9 insurmountable task between now and June 14th. 10 11 MR. WILLIAMS: Between now and May 31st, because that's the date that we have to submit all the pretrial 12 materials --13 THE COURT: Ten days from today. 14 15 MR. WILLIAMS: -- including the trial brief. 16 There is a lot to be done. And unless it's a two-way street, it's not going to get done. And we don't want to be 17 18 jammed in making those decisions, as they now have all of our 19 materials to just sit on and sort of evaluate and provide us 20 with their responses or their positions whenever they get 21 comfortable with it. 22 THE COURT: All right. Let's hear from Facebook. 23 Mr. Connelly. MR. CONNELLY: Judge, I'm going to accentuate the 24 25 positives. We're getting closer to trial, as you might expect. You know, that's --

THE COURT: These things happen.

MR. CONNELLY: You have to search a little bit for the positive, but there have been good faith communications between the parties trying to narrow the issues.

The -- and the deadline for both parties is May 31st to be done with it. That would then let you have all of the materials two weeks in advance of June 14th.

THE COURT: Yes.

MR. CONNELLY: What Facebook has been suggesting is, look, let's keep talking, but we're getting crunched. We'll all do a better job if rather than -- rather than submitting everything to the Court on May 31st, give us three extra business days, which would push it out til June 5th.

Now, full disclosure, Judge --

THE COURT: Three actual business days.

MR. CONNELLY: Yeah. We would like to have the filing on June 5th. Full disclosure that the Court can easily back into itself. That tightens it up a little bit in terms of when the Court gets everything filed on June 5th for the June 14th hearing, but that's our suggestion.

Again, not for purposes of delay, but really, frankly, so that we can -- as you can understand, a case of this magnitude, there are certain layers of review and getting client approval, so that we can continue to talk with the Plaintiffs -- I'm

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sorry, with the other side in total, as far as let's see how
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    much we can hit common ground on.
               THE COURT: And this would be to make my life easier.
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               MR. CONNELLY: Yours and ours both.
 4
 5
               THE COURT: All right.
                                       June 5th?
               MR. CONNELLY:
                              That's our suggestion.
 6
 7
               THE COURT: All right. I can accept that, 5:00 p.m.
     California time June 5th. Just have it all in by 5:00 p.m.
 8
     California time on June 5th. And this is with an eye towards
 9
     streamlining the issues, the extra time.
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11
               MR. CONNELLY: One last point, Judge, unrelated to
     this issue, but as long as I'm up here.
12
13
               THE COURT: Yes.
               MR. CONNELLY: And I think it's pretty clear that the
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     Court has denied or plans to deny Facebook's request to stay
16
     the proceedings while we have the petition before the Ninth
17
     Circuit.
               I just --
               THE COURT: I haven't even gotten the opposition to
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19
     that yet.
20
                              The opposition is due today.
               MR. WILLIAMS:
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               THE COURT: I have not taken a look at it.
22
               MR. CONNELLY:
                              I'm sorry.
23
               THE COURT:
                           I have so much to do. Until things are
     submitted, I really don't -- I just -- I wish I had time to
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    kind of read the things as they come in. I don't.
25
                                                         It's just
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not practical for a district judge.

MR. WILLIAMS: Can I make one more point, your Honor, because there is one expectation.

THE COURT: Yes.

MR. WILLIAMS: You know, your class certification order, obviously, focuses on the face templates. And the -- the number of face templates that Facebook has either created in Illinois is obviously going to be at issue in the case, one of the primary issues, a number of them.

We asked for that number in discovery many times. We actually came to the Court at one point to -- on a Motion to Compel and the Court ordered to us meet-and-confer, and the promise was they would get something to us in the form of a stipulation what the number of face templates are. They have the number. We think it's somewhere around 7 million, maybe slightly less than that.

But I don't see how we can go forward until they produce that number. And it doesn't have to be today, but your Honor is going to need it. We're going to need it.

We've asked for it. We're entitled to it. They have it.

It may come up in papers before you, but I don't see any reason why it's not something that hasn't been provided, you know, forthwith.

THE COURT: So it's not subject to some fact disputes at trial?

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How many face templates they have?
 1
               MR. WILLIAMS:
                         Yes.
 2
               THE COURT:
               MR. WILLIAMS: I don't think so. I don't think
 3
 4
     it's -- the number is really going to be a fact dispute, but
 5
     because we asked for the number, they have it. It's kind of a
 6
     discovery issue that never got resolved.
 7
                           I take it you want to say in opening
               THE COURT:
     statement -- you want to use the number in opening statement?
 8
     Is that the issue?
 9
10
               MR. WILLIAMS:
                              I may.
11
               THE COURT: Okay.
                                  I thought it was disputed, the
     number of templates.
12
13
          Is that right, Mr. Connelly?
               MR. CONNELLY: Well, yes. I think -- that's a fair
14
15
     statement.
16
               THE COURT: All right. Well --
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               MR. CONNELLY: Although I appreciate what counsel is
18
     saying.
          Again, I haven't been personally engaged in this process.
19
20
     I will take a deep dive into it to find out whether or not that
21
     number can be made available and if not, why it can't be made
22
     available.
23
               THE COURT: To be honest, it actually -- as you have
     suggested with an eye towards streamlining pretrial prep, if
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25
     that's something you can just stipulate to, you can just make
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it a stipulation of fact. Okay? That would -- if it's not controversial and you all are happy with it, let's just do that.

MR. WILLIAMS: It will be controversial because the number will have some impact on the damages issue, which is why they haven't -- in my view, why they haven't produced the number even though we've asked for it a number of times.

Ultimately what you'll hear from us, your Honor, is that to the extent that they are unwilling to provide the number of face templates, then our position will be that they should not be able to present evidence to the Court or to a jury that it's anything less than the number of users in Illinois.

THE COURT: Well, I think that's going a little far now. Why don't you two see what you can work out?

I was under the impression that the -- populating the exact count of templates was something that may turn on the evidence at trial. If that's wrong, you can tell me. If it's right, you can certainly say "we believe it's millions" in the opening and go from there. Whatever you want.

You can make your argument. There may be a consequence if you overstate, but that's up to you.

MR. WILLIAMS: Which is why we asked for the number in discovery and they haven't produced it.

THE COURT: Okay. Well, you two will -- why don't you address that? If you can't resolve it in the next couple

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days, just let me know.
 1
                              Two other, hopefully, quick items from
 2
               MR. CONNELLY:
     Facebook, one from me and one from Archis.
 3
               THE COURT:
                          Yes.
 4
 5
               MR. CONNELLY: I think that the hearing on the
 6
     request for a stay is set for June 21st. And I would suggest
     in order for everybody to keep that July 9th date, if it's
 7
     possible, if it's convenient for everyone, to try to move that
 8
 9
     hearing a little up, have it sooner than June 21st, if that's
     possible.
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11
          I appreciate that the Court hasn't had a chance to take a
     look at all the papers, so I'm just -- I'm raising that as a
12
13
     possibility.
               THE COURT: I haven't looked at them all.
14
15
     certainly haven't gotten an opposition.
16
          If you two want to propose an earlier date, I will
17
     consider it. I have another trial coming up -- actually, I
18
     have two other trials coming up.
               THE CLERK: June 14th.
19
                              I thought it with as June 14 as well,
20
               MR. WILLIAMS:
21
     which is --
22
               THE CLERK:
                           It is.
23
               THE COURT: Oh, June 14th.
                             Which is when --
24
               MR. WILLIAMS:
25
               THE COURT:
                           I really doubt -- well, I mean, if you
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want to work it out, I will see if I can do it. June 14th is,
 1
 2
     what, two weeks away now, three weeks away?
          If you want to do it, see what you can work out. Okay?
 3
               MR. CONNELLY: Very good.
 4
 5
               THE COURT: Now, one other thing. I -- I have
     forgotten. Okay. Anything else?
 6
 7
               MR. WILLIAMS: Nothing, your Honor.
               THE COURT: Mr. Connelly?
 8
 9
               MR. CONNELLY:
                              I think the last question on notice.
               THE COURT: Yes.
10
11
               MR. PARASHARAMI:
                                Just one last point.
                                                       We had
     addressed it in the briefs, but had not gotten to it here,
12
13
     which is that the rules are basically that the plaintiff has to
     pay for the cost of class notice. That's under Eisen and
14
15
     Oppenheimer.
16
          So we would like the Court to clarify that the cost of
17
    notice that we experience in putting together this information
18
    has to --
               THE COURT: Generally, the plaintiff pays the class
19
20
              If the cost is insubstantial and it's not worth the
21
     time and effort, then you typically don't. I will have to see
     some firm documentation on what the extra expenses will be and
22
23
     then we'll talk about it.
               MR. PARASHARAMI: Okay. Thank you, your Honor.
24
25
               THE COURT:
                           Okay? You get those declarations to me
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by 5:00 p.m. tomorrow.
 1
 2
          Okay. Thank you.
                MR. WILLIAMS:
                                Thank you, your Honor.
 3
 4
                THE CLERK: All rise. Court is in recess.
           (Proceedings adjourned.)
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## CERTIFICATE OF OFFICIAL REPORTER

I certify that the foregoing is a correct transcript from the record of proceedings in the above-entitled matter.

Llelia L. Pard

Debra L. Pas, CSR 11916, CRR, RMR, RPR
Tuesday, May 22, 2018